

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
03-016

2. STATE
Kentucky

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
September 1, 2003

5. TYPE OF PLAN MATERIAL (*Check One*):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
Section 1902(a)(10)(C) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2004 \$(605,015)
b. FFY 2005 \$(7,260,176)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 2.6-A, pages 14 and 26
Attachment 3.1-B, pages 2 and 8

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 2.6-A, pages 14 and 26
Attachment 3.1-B, pages 2, 8, 14, 15, 36, and 37

10. SUBJECT OF AMENDMENT:

Nursing Facility Coverage of Medically Needy

11. GOVERNOR'S REVIEW (*Check One*):

- ☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

X OTHER, AS SPECIFIED: Review delegated
to Commissioner, Department for Medicaid
Services

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Mike Robinson

13. TYPED NAME: Mike Robinson

14. TITLE: Commissioner, Department for Medicaid Services

15. DATE SUBMITTED: 8/14/03

16. RETURN TO:

Frances McGraw
Eligibility Policy Branch
Department for Medicaid Services
275 East Main Street 6W-C
Frankfort, Kentucky 40621

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
August 14, 2003

18. DATE APPROVED:
December 9, 2003

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
September 1, 2003

20. SIGNATURE OF REGIONAL OFFICIAL:

Hugh Webster

21. TYPED NAME:
Hugh Webster

22. TITLE: Acting Associate Regional Administrator
Division of Medicaid & Children's Health

23. REMARKS:

Citation	Condition or Requirement
42 CFR 435.732, 435.831	<p>4. Handling of excess income – Spend-down for the Medically Needy in all States and the Categorically Needy in 1902(f) States Only</p> <p>a. <u>Medically Needy</u></p> <p>(1) Income in excess of the MNIL is considered as available for payment of medical care and services. The Medicaid agency measures available income for periods of <u>3*</u> month(s) (not to exceed 6 months) to determine the amount of excess countable income applicable to the cost of medical care and services.</p> <p>(2) If countable income exceeds the MNIL standard, the agency deducts the following incurred expenses in the following order:</p> <p>(a) Health insurance premiums, deductibles and coinsurance charges.</p> <p>(b) Expenses for necessary medical and remedial care not included in the plan.</p> <p>(c) Expenses for necessary medical and remedial care included in the plan.</p> <p>— Reasonable limits on amounts of expenses deducted from income under a.(2)(a) and (b) above are listed below.</p> <p>1902(a)(17) of the Act</p> <p>Incurred expenses that are subject to payment by a third party are not deducted unless the expenses are subject to payment by a third party that is a publicly funded program (other than Medicaid) of a State or local government, and is financed by the State or local government</p>

*The retroactive spenddown period uses available income for one month with eligibility for each month determined individually.

Citation	Condition or Requirement
1902(a)(18) and 1902(f) of the Act	<p>12. Pre-OBRA 93 Transfer of Resources – Categorically and Medically Needy, Qualified Medicare Beneficiaries, and Qualified Disabled and Working Individuals</p> <p>The agency complies with the provisions of section 1917 of the Act with respect to the transfer of resources.</p> <p>Disposal of resources at less than fair market value affects eligibility for certain services as detailed in <u>Supplement 9 to Attachment 2.6-A</u>.</p>
1917(c)	<p>13. Transfer of Assets – All eligibility groups</p> <p>The agency complies with the provisions of section 1917(c) of the Act, as enacted by OBRA 93, with regard to the transfer of assets.</p> <p>Disposal of assets at less than fair market value affects eligibility for certain services as detailed in <u>Supplement 9 to Attachment 2.6-A</u>, except in instances where the agency determines that the transfer rules would work an undue hardship.</p>
1917(d)	<p>14. Treatment of Trusts – All eligibility groups</p> <p>The agency complies with the provisions of section 1917(d) of the Act, as amended by OBRA 93, with regard to trusts.</p> <p>_____ The agency uses more restrictive methodologies under section 1902(f) of the Act, and applies those methodologies in dealing with trusts.</p> <p><u>X</u> The agency meets the requirements in section 1917(d)(f)(B) of the Act for use of Miller trusts.</p> <p>The agency does not count the funds in a trust in any instance where the agency determines that the transfer would work an undue hardship, as described in <u>Supplement 10 to Attachment 2.6-A</u>.</p>

State/ Territory: Kentucky

AMOUNT, DURATION, AND SCOPE OF SERVICES PROVIDED
MEDICALLY NEEDY GROUP (S): ALL

1. Inpatient hospital services other than those provided in an institution for mental diseases.

/x/ Provided: / / No limitations /x/ With limitations*

- 2.a. Outpatient hospital services.

/x/ Provided: / / No limitations /x/ With limitations*

- b. Rural health clinic services and other ambulatory services furnished by a rural clinic (which are otherwise covered under the plan).

/x/ Provided: / / No limitations /x/ With limitations*

- c. Federally qualified health center (FQHC) services and other ambulatory services that are covered under the plan and furnished by an FQHC in accordance with section 4231 of the State Medicaid Manual (HCFA-Pub. 45-4).

/x/ Provided: / / No limitations /x/ With limitations*

3. Other laboratory and x-ray services.

/x/ Provided: / / No limitations /x/ With limitations*

- 4.a. Nursing facility services (other than services in an institution for mental diseases) for individuals 21 years of age or older.

/ / Provided: / / No limitations / / With limitations*

- b. Early and periodic screening, diagnostic and treatment services for individuals under 21 years of age, and treatment of conditions found.

/x/ Provided:

- c. Family planning services and supplies for individuals of childbearing age.

/x/ Provided: / / No limitations /x/ With limitations*

* Description provided on attachment.

State/ Territory: Kentucky

AMOUNT, DURATION, AND SCOPE OF SERVICES PROVIDED
MEDICALLY NEEDY GROUP (S): ALL

22. Respiratory care services (in accordance with section 1902(e)(9)(A) through (C) of the Act).

☐ Provided: ☐ No limitations ☐ With limitations*

☒ Not provided.

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary

a. Transportation.

☒ Provided: ☐ No limitations ☒ With limitations*

☐ Not provided.

b. Services provided in Religious Nonmedical Health Care Institutions.

☐ Provided: ☐ No limitations ☐ With limitations*

☒ Not provided.

c. Reserved

d. Nursing facility services for individuals under 21 years of age.

☐ Provided: ☐ No limitations ☐ With limitations*

☒ Not provided.

e. Emergency hospital services.

☒ Provided: ☐ No limitations ☒ With limitations*

☐ Not provided.

f. Personal care services in a recipient's home, prescribed in accordance with a plan of treatment and provided by a qualified person under supervision of a registered nurse.

☐ Provided: ☐ No limitations ☐ With limitations*

☒ Not provided.

* Description provided on attachment.